REMARKS/ARGUMENTS

The rejections presented in the Office Action dated February 21, 2006 (hereinafter Office Action) have been considered. Claims 1-3, 5-6, 8-16 and 18-36 are pending in the application. Reconsideration of the pending claims and allowance of the application in view of the present response is respectfully requested.

With respect to the objection to the Specification, the Applicant has removed the hyphenation from the identified areas of the Specification in accordance with the Examiner's suggestions. Accordingly, the Applicant requests that the objection be removed.

With respect to the objection to the Abstract, the Applicant has removed the reference numerals and the reference to Figure 1 from the Abstract. Accordingly, the Applicant requests that the objection to the Abstract be withdrawn.

With respect to the objection to the Drawings, the Applicant has amended the Specification by changing reference numeral "20" to "122" to correct the typographical error. This amendment should overcome the objection, and the Applicant accordingly requests that the objection be removed.

Claims 1-20 are rejected under 35 U.S.C. §103(a) over U.S. Publication No. 2006/0004659 to Hutchison *et al.* (hereinafter "Hutchison") in view of U.S. Publication No. 2001/0037316 to Shiloh (hereinafter "Shiloh"). The Applicant respectfully traverses the rejection because the cited combination of references fails to correspond to the claimed invention. More specifically, the Office Action acknowledges that Hutchison fails to correspond to at least the claimed linking of a virtual identifier of a first user equipment to a first characteristic identifier of the first user equipment. In an attempt to overcome this deficiency, the Shiloh reference is relied upon as teaching the claimed linking. This reliance upon Shiloh is misplaced because Shiloh does not teach any linking of an equipment characteristic identifier. Shiloh merely teaches correlating a real entity's identity

with a virtual identity where the entity is a person or corporation and not a user equipment as claimed. See, e.g., paragraph 0019 of Shiloh.

Moreover, the Applicant fails to recognize where Hutchison teaches establishing a virtual identifier for a first user equipment as the virtual payment account discussed at paragraph 0071 does not appear to be associated with a user equipment. Since neither Hutchison nor Shiloh appear to teach at least establishing or linking a virtual identifier with a first user equipment, the asserted combination of Hutchison and Shiloh cannot correspond to such claim limitations. Without a presentation of correspondence to each of the claimed limitations, the §103(a) rejection is improper and should not be maintained. The Applicant accordingly requests that the rejection be withdrawn.

Without acquiescing to any of the assertions of obviousness presented in the Office Action which are believed to be improper as argued above, the Applicant has amended independent claims 1 and 15 to facilitate prosecution. The amendments do not introduce new matter, and the amended claims are believed to be patentable over the cited references for the reasons discussed above.

The Applicant further notes that the terminals of Hutchison and Shiloh cannot control the use of virtual identifiers. In both Hutchison and Shiloh, the commerce gateway or AVPP, respectively, controls the usage of the virtual identifiers. Therefore, the service network always knows the identities of the terminals. However, the claimed invention includes the possibility that not even a service network knows the true identities of users, *e.g.*, the virtual identifier for the first user equipment is established in the first user equipment. Without a presentation of correspondence to each of the claimed limitations, the §103(a) rejection is improper and should not be maintained.

In addition to having to show that the cited combination of references teach or suggest all of the claim limitations, the Examiner must show evidence of motivation to combine these references. The Applicant respectfully submits that this requirement has not been met.

The proposed combination of references includes modifying Hutchison's virtual payment system to include a linking of a virtual identifier of a first user equipment to a first characteristic identifier of the first user equipment to ensure "that the virtual user can be identified in order to process the transaction (e.g., charge his/hers account, contact the user, ship product)." However, Hutchison already teaches that a buyer can complete purchasing transactions including ordering products or services and settling the charges for such transactions. *See, e.g.,* Abstract, paragraph [0010]. There is no reason to modify Hutchison since Hutchison already teaches a manner of processing transactions. Without a presentation of evidence from the cited references of motivation to modify the references as asserted, the §103(a) rejection is improper. The Applicant accordingly requests that it be withdrawn.

Dependent Claims 2-3, 5-6, and 8-14 depend from independent Claim 1, and dependent Claims 16 and 18-20 depend from independent Claim 15. Each of these dependent claims also stand rejected under 35 U.S.C. §103(a) as being unpatentable over the above-discussed combination of Hutchison and Shiloh. While Applicant does not acquiesce to any particular rejections to these dependent claims, including any assertions concerning descriptive material, obvious design choice and/or what may be otherwise well-known in the art, these rejections are moot in view of the remarks made in connection with independent Claims 1 and 15. These dependent claims include all of the limitations of their respective base claims and any intervening claims, and recite additional features which further distinguish these claims from the cited references. "If an independent claim is nonobvious under 35 U.S.C. §103, then any claim depending therefrom is nonobvious."

M.P.E.P. §2143.03; citing In re Fine, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988).

Therefore, dependent Claims 2-3, 5-6, 8-14, 16 and 18-20 are also allowable over the combination of Hutchison and Shiloh.

The Applicant has also added new Claims 21-36 to further characterize the claimed invention. New Claims 21-36 largely correspond to the pending claims and do not introduce new matter. These new claims are believed to be patentable over the asserted combination of references for the reasons discussed above.

Authorization is given to charge Deposit Account No. 50-3581 (KOLS.055PA) any necessary fees for this filing. If the Examiner believes it necessary or helpful, the undersigned attorney of record invites the Examiner to contact her to discuss any issues related to this case.

Respectfully submitted,

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